Colorado River Management Plan
Summary of Socioeconomic Impacts: Lees Ferry to Lake Mead

Management Objective

To provide a diverse range of recreational opportunities while minimizing the impacts of actions to resources, user groups and park neighbors.

Who is affected by the CRMP?

Surrounding Communities within 80 miles (Flagstaff, Williams, Cameron, Tuba City, Page, Marble Canyon, Fredonia, Jacob Lake, Bodaway/Gap, the Havasupai Indian Reservation and Supai Village, the Hualapai Indian Reservation and Peach Springs, Seligman, Meadview, Kanab, UT, etc.) with a population totaling more than 125,000.

The **river runner-generated economy** in the region is estimated at nearly $35 million (0.7% of regional output) and provides nearly 600 jobs.

Commercial River Runners
Approximately 19,000 passengers and more than $28 million in revenues. An estimated 87% of expenditures remain in the region.

Non-Commercial River Runners
Approximately 3,500 passengers and an estimated $2.5 million in regional expenditures.

Impact Analysis

Methodology

Lees Ferry Alternatives

The economic impacts to commercial rafting operators have been determined by representing the expected average impact to the operators as a group. The actual specific future impacts to individual operators would depend on their specific circumstances.

An analysis of the likely effect of each of the alternatives on commercial river runners' revenue shows that changes in user-days are a reasonable proxy for changes in revenue. While the other key variables (number of passengers, number of launches, group size and trip length) have an effect, it is minimal compared to that of user-days. Under each of the alternatives, the changes in expected revenue on a per user-day basis are less than 5% compared to the current situation.

Similarly, the analysis shows that river operation costs are highly variable in nature, and are driven by the number of user-days. This is logical, since fewer user-days require less food, staff time, and other variable costs to be expended. Therefore, user-days can be used as a proxy for gross operating profit (revenue minus direct labor costs). The net effect of the other variables, given the current pricing structure, is minor. Under each of the alternatives, the changes in expected gross operating profit on a per user-day basis are less than 5% compared to the current situation.

The spending impacts of rafters on regional output and employment associated with the Lees Ferry alternatives were estimated using the input-output IMPLAN (Impact Planning) model. The model provides both background economic information and estimates of the cumulative economic effects that result directly and indirectly from an initial spending change.

Lower Gorge Alternatives

Revenue estimates for the Lower Gorge are projected at maximum capacity and are given as net revenue. This revenue is projected at the maximum permitted daily rate of use times the number of days in the season or year times the net revenue per person for the Hualapai Tribe after commissions and discounts. Impacts to Las Vegas air tour operators were not included in the analysis as they occur outside the analysis area.

Impact Thresholds

If quantified, they represent a change of:

Negligible	Less than 2%
Minor	Between 2% and 10%
Moderate	Between 10% and 20%
Major	More than 20%

Lees Ferry Alternative H (NPS Preferred)

Negligible impact on the **regional economy.**
Minor beneficial impact on **commercial river runner** revenue and gross operating profit.
Major beneficial impact on the **private boating community** and it associated commercial enterprises.
Negligible impact on **Hualapai tribal** revenue.
Major beneficial impact on **Bar 10 Ranch** revenue.

Lower Gorge Alternative 4 (NPS Preferred)

Major beneficial impact on **Hualapai tribal** revenue.